

2015-2016

Community Development  
Block Grant (CDBG)  
Consolidated Annual  
Performance and Evaluation  
Report  
(CAPER)



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## **ATTACHMENTS**

EXHIBIT A	Map of Eligible Areas and Project Locations
EXHIBIT B	List of Public Agencies Served by General Fund
EXHIBIT C	Copy of Public Notices
EXHIBIT D	IDIS Reports

## I. EXECUTIVE SUMMARY

This document represents the City of Temecula's 2015-2016 Consolidated Annual Performance Evaluation Report (CAPER) related to the City's Community Development Block Grant (CDBG) Program. Pursuant to the federal regulations applicable to the CDBG Program, the CAPER is prepared annually to evaluate the City's overall progress and performance in meeting the priority activities identified within its Strategic Plan and Annual Action Plan. The CAPER provides the Department of Housing and Urban Development (HUD), the public, and the City an opportunity to review its accomplishments over the most recent program year.

This CAPER describes the City of Temecula's housing and community development accomplishments in the 2015-16 Program Year, with a special focus on those activities funded by the CDBG program.

The City funded improvements of one sidewalk project, ten public service activities and two housing programs in the 2015-16 Program Year. In addition, the City continued with the construction of Sam Hicks Park, a prior-year project. Accomplishments include:

- Provided Fair Housing services by assisting a total of 569 clients, of which 531 had tenant and landlord questions on fair housing rights and discrimination, and 38 clients had discrimination issues;
- Initiated a sidewalk improvement project in Old Town serving a low- and moderate-area (LMA) population;
- Provided domestic violence prevention services to 343 underserved low- and moderate-income (LMI) individuals;
- Provided before- and after-school care services to 12 underserved low LMI youth;
- Provided life skill seminars/workshops and childcare programs to eight (8) underserved LMI single-mothers and children;
- Provided 64 underserved LMI youth with new clothing and school supplies;
- Provided 23 individuals with emergency housing during the winter months;
- Through the Temecula Valley Entrepreneur's Exchange (TVE<sup>2</sup>), twelve startup businesses participated in the incubator program in 2015 and 300 one-on-one consultations have resulted in 95 jobs created;
- Provided 1,578 homeless and underserved LMI individuals with emergency food through three food banks in the area;
- Provided 7 seniors and female-headed households with home maintenance and repair improvements for a total of 8 over the life of the program; and
- Provided 4 low- and moderate-income homeowner with affordable solar energy efficiency upgrades for a total 5 units over the life of the program.

The City continued to make progress toward the playground improvements planned for Sam Hicks Monument Park funded in 2012, 2013, and 2014 Program Years. The City provided a workshop and one-on-one training to the public service providers, conducted regular monitoring, and performed oversight of fiscal systems to track progress of the CDBG grant program.

The City began to develop an Assessment of Fair Housing for the City as part of its five-year 2017-2022 consolidated planning process. The City conducted its first public hearing on the Assessment on June 29, 2016 and held its first two (2) community meetings on June 30<sup>th</sup>.

## **II. INTRODUCTION**

As an entitlement grantee for the United States Department of Housing and Urban Development (HUD), Community Development Block Grant (CDBG) program, the City of Temecula is required to prepare a Consolidated Annual Performance and Evaluation Report (CAPER) to analyze and summarize program accomplishments of the preceding program year.

This CAPER assesses the City's progress towards completing activities identified in the 2015-16 Action Plan which covers the period from July 1, 2015 through June 30, 2016. The CAPER also reports progress in meeting the overall Five-Year 2012-2016 Consolidated Plan goals and priorities and identifies areas for improvement as a result of annual self-evaluations and HUD performance reviews.

The 2015-16 Program Year was the City of Temecula's fourth (4<sup>th</sup>) year as an entitlement recipient of Community Development Block Grant (CDBG) funds. During this time, the City submitted its 3<sup>rd</sup> year CAPER for 2014-2015 to HUD in September 2015.

The Community Development Department serves as the lead agency for the administration of CDBG funds in Temecula. Questions regarding this report should be directed to the staff within this division at:

City of Temecula  
Lynn Kelly-Lehner  
Principal Management Analyst  
41000 Main Street  
Temecula, CA 92590  
951-506-5172

This report was made available for public review during a 15-day comment period from August 30, 2016 to September 13, 2016. A public notice announcing its availability was published in the San Diego Union Tribune on August 29, 2016. The CAPER was approved by the Temecula City Council at their meeting of September 13, 2016. The following comments were received during the review period and the Council meeting:

**Comments to be inserted after Council meeting.**

### III. ACTIVITY SUMMARIES

#### HOUSING

CDBG funded housing projects specifically focus on activities that promote, preserve, and assist in the development of affordable housing for low- and moderate-income residents, special-needs groups, those at-risk of homelessness, and disproportionately impacted residents.

Project	Critical Home Maintenance and Repairs Program (2014 & 2015)
Sponsor	Habitat for Humanity Inland Valley
Description	The program provides preventative home maintenance and critical home repair services to low-income homeowners. CDBG funds will be used for program delivery costs (salaries and benefits).
Priority Need	Owner Occupied Housing Rehabilitation - High
Address	27475 Ynez Road, Suite 390, Temecula CA 92593
Objective	Decent Housing
Outcome	Sustainability
Accomplishment Type	14A Rehab: Single Unit Residential
Proposed Accomplishments	30 LMI Households (60 LMI Persons)
Actual Accomplishments	8 Households Served
Funds available	\$52,233 (\$26,223 in 2014-2015 and \$26,223 in 2015-2016)
Funds expended in 2015-16	\$7,378
Cumulative expenditures	\$7,378
Accomplishment Narrative	After many months of collaboration on the development of the first CDBG funded Critical Home Maintenance and Repairs Program, the program policy and processing structure was completed and implemented. Eight (8) houses have been rehabilitated. Eight (8) more have been approved for funding and in the construction or bidding stage. Five (5) more are in the application stage. Twenty-two applications were denied for the following reasons: exceeded income (5); delinquent taxes or tax liens (4); completed work themselves (4); ineligible scope of work (2); non-responsive (3); sold house (1); and other issues (3).

Category	Total	Percent of Total
<b>Total Households</b>	<b>8</b>	
Extremely low-income	1	12%
Low-income	3	38%
Moderate-Income	4	50%
Non-Low/Mod-income	-	0%
<b>Special Needs</b>		
Disabled HH Member	-	0%
Senior Headed HH	6	75%
Female Headed HH	7	88%
5+ Person HH	-	0%
<b>Race</b>		
White	8	100%
Black or African-American	-	0%
Asian	-	0%
American Indian or Alaskan Native	-	0%
Native Hawaiian or Pacific	-	0%
American-Indian or Alaska Native and White	-	0%
Asian and White	-	0%
Black or African American and White	-	0%
American Indian or Alaska Native and Black	-	0%
Multiracial	-	0%
Other/No response	-	0%
<b>Ethnicity</b>		
Hispanic	2	25%
Not Hispanic	6	75%
Other/No response	-	0%

<b>Project</b>	<b>Solar Affordable Housing Program (2014 &amp; 2015)</b>
Sponsor	GRID Alternatives
Description	The program provides purchase and installation of photovoltaic solar systems to low-income homeowners. CDBG funds will be used for staff salaries and benefits.
Priority Need	Owner Occupied Housing - High
Address	1257 Columbia Avenue, Suite D5, Riverside, CA 92507
Objective	Decent Housing (DH)
Outcome	Availability/Accessibility (1)
Accomplishment Type	14F Energy Efficiency Improvements
Proposed Accomplishments	5 LMI Households
Actual Accomplishments	5 Households Served (one of which was reported in 2014)
Funds available	\$15,873 in 2014 and \$12,000 in 2015
Funds expended in 2015-16	\$5,304.64
Cumulative expenditures	\$5,304.64
Accomplishment Narrative	The program completed the installation of solar panels for four (4) LMI households during the 2015-2016 fiscal year in addition to the one (1) that was completed in the 2014-2015 fiscal year. Invoices are being processed.

Category	Total	Percent of Total
<b>Total Households (includes one completed in 2014-2015)</b>	<b>5</b>	
Mod-Income	5	100%
Extremely low-income	-	0%
Low-income	-	0%
Non-Low/Mod-income	-	0%
<b>Special Needs</b>		
Disabled HH Member	-	0%
Senior Headed HH	2	40%
Female Headed HH	3	60%
5+ Person HH	-	0%
<b>Race</b>		
White	5	100%
Black or African-American	-	0%
Asian	-	0%
American Indian or Alaskan Native	-	0%
Native Hawaiian or Pacific	-	0%
American-Indian or Alaska Native and White	-	0%
Asian and White	-	0%
Black or African American and White	-	0%
American Indian or Alaska Native and Black	-	0%
Multiracial	-	0%
Other/No response	-	0%
<b>Ethnicity</b>		
Hispanic	1	20%
Not Hispanic	4	80%
Other/No response	-	0%



## PUBLIC FACILITIES

CDBG funded public facilities projects specifically focus on activities that improve and expand infrastructure and facilities that benefit low and moderate income neighborhoods and residents.

<b>Project</b>	<b>Sam Hicks Monument Park Playground Replacement (2012)</b>
Sponsor	City of Temecula
Description	Design and construct a new playground structure to replace the existing dilapidated play equipment at Sam Hicks Monument Park. Project includes removal of old equipment, and installation of new equipment, and resurfacing according to ADA Guidelines. CDBG funds will be used for project delivery administration, design and construction costs.
Priority Need	Public Facilities – High
Address	41970 Moreno Road, Temecula, CA 92590
Census Tract	432.15
Objective	Suitable Living Environment (SL)
Outcome	Sustainability (3)
Accomplishment Type	11- Public Facilities
Proposed Accomplishments	One Public Park Improved
Actual Accomplishments	Project design and construction underway
Funds available	\$608,888 (all carried over from prior years)
Funds expended in 2015-16	\$245,964
Cumulative expenditures	\$283,300
Accomplishment Narrative	Some of the playground equipment has been completed. The rest of the playground equipment is under construction off site and installation to begin in February 2017 and completed by April 2017.

<b>Project</b>	<b>Old Town Sidewalk Improvements</b>
Sponsor	City of Temecula
Description	Design and install missing sidewalks in two locations within Old Town
Priority Need	Public Facilities – High
Address	Fifth Street between Front Street and Mercedes Street and Old Town Front Street at Moreno Road
Census Tract	432.15
Objective	Suitable Living Environment (SL)
Outcome	Sustainability (3)
Accomplishment Type	11- Public Facilities
Proposed Accomplishments	One Public Park Improved
Actual Accomplishments	Project design and construction underway
Funds available	\$351,149
Funds expended in 2015-16	\$17,566
Cumulative expenditures	\$17,566
Accomplishment Narrative	Design work under way; construction to be completed by April or May 2017.

## PUBLIC SERVICES

CDBG funded public services specifically focus on activities that provide and improve access to essential public services for low and moderate income persons and those with special needs.

Project	Operation School Bell Program
Sponsor	Assistance League of Temecula Valley
Description	The program provides clothes and school supplies to children from low income families. CDBG funds will provide clothing for children.
Priority Need	Public Services - High
Address	28720 Via Montezuma, Temecula, CA 92590
Census Tract	432.15
Objective	Suitable Living Environment (SL)
Outcome	Availability/Accessibility (1)
Accomplishment Type	01 - People
Proposed Accomplishments	64 persons assisted
Actual Accomplishments	64 persons assisted
Funds available in 2015-16	\$7,892
Funds expended in 2015-16	\$7,892
Cumulative expenditures	\$7,892
Accomplishment Narrative	The Assistance League operated one (1) youth assistance program. The Operation School Bell program delivered clothing and shoes to 64 underserved low-income youth. The Assistance League supplemented funds from the City of Temecula with other private donations and grants.

Category	Total	Percent of Total
<b>Total Persons</b>	<b>64</b>	
Extremely low-income	61	95%
Low-income	0	0%
Mod-income	3	5%
Non-Low/Mod-income	-	0%
<b>Special Needs</b>		
Disabled HH Member	-	0%
Senior Headed HH	-	0%
Female Headed HH	-	0%
5+ Person HH	-	0%
<b>Race</b>		
White	28	44%
Black or African-American	5	8%
Asian	0	0%
American Indian or Alaskan Native	0	0%
Native Hawaiian or Pacific	0	0%
American-Indian or Alaska Native and White	0	0%
Asian and White	3	5%
Black or African American and White	0	0%
American Indian or Alaska Native and Black	2	3%
Multiracial	26	40%
Other/No response	0	0%
<b>Ethnicity</b>		
Hispanic	49	77%
Not Hispanic	15	23%
Other/No response	-	0%

<b>Project</b>	<b>SAFE Domestic Violence Services</b>
Sponsor	Safe Alternatives for Everyone (SAFE)
Description	Safe Alternatives for Everyone program provides a provision of services to at-risk youth and families to avoid violence and abuse. CDBG funds will be used for staff salaries and benefits.
Priority Need	Public Services - High
Address	28910 Pujol Street, Temecula, CA 92590
Census Tract	432.15
Objective	Suitable Living Environment (SL)
Outcome	Availability/Accessibility (1)
Accomplishment Type	01 - People
Proposed Accomplishments	131 persons assisted
Actual Accomplishments	343 persons assisted
Funds available in 2015-16	\$7,892
Funds expended in 2015-16	\$7,892
Cumulative expenditures	\$7,892
Accomplishment Narrative	SAFE operated a domestic violence assistance program. The program provided family violence prevention services to 343 underserved low-income persons. The program also raised community awareness about abuse, and promoted victim safety and increased offender accountability.

Category	Total	Percent of Total
<b>Total Persons</b>	<b>343</b>	
Extremely low-income	343	100%
Low-income	-	0%
Mod-income		0%
Non-Low/Mod-income	-	0%
<b>Special Needs</b>		
Disabled HH Member	-	0%
Senior Headed HH	-	0%
Female Headed HH	-	0%
5+ Person HH	-	0%
<b>Race</b>		
White	169	49%
Black or African-American	23	7%
Asian	11	3%
American Indian or Alaskan Native	-	0%
Native Hawaiian or Pacific	-	0%
American-Indian or Alaska Native and White	-	0%
Asian and White	-	0%
Black or African American and White	-	0%
American Indian or Alaska Native and Black	-	0%
Multiracial	140	41%
Other/No response	-	0%
<b>Ethnicity</b>		
Hispanic	24	7%
Not Hispanic	319	93%
Other/No response	-	0%

<b>Project</b>	<b>BGCSWC Before and After School Care for Kids</b>
Sponsor	Boys & Girls Club of Southwest County (BGCSWC)
Description	Boys & Girls Clubs of Southwest County program provides before and after school care for underserved low income youth. CDBG funds will be used for program “scholarships” to reduce child care costs for families.
Priority Need	Public Services - High
Address	28790 Pujol Street, Temecula, CA 92590
Census Tract	432.15
Objective	Suitable Living Environment (SL)
Outcome	Availability/Accessibility (1)
Accomplishment Type	01 - People
Proposed Accomplishments	12 persons assisted
Actual Accomplishments	12 persons assisted
Funds available in 2015-16	\$7,892
Funds expended in 2015-16	\$7,892
Cumulative expenditures	\$7,892
Accomplishment Narrative	The Boys & Girls Club offered “scholarships” to qualifying families for their before and after school care program. The program provided before and after school care to 12 underserved low-income youth.

Category	Total	Percent of Total
<b>Total Persons</b>	<b>12</b>	
Extremely low-income	2	17%
Low-income	2	17%
Mod-income	5	42%
Non-Low/Mod-income	3	25%
<b>Special Needs</b>		
Disabled HH Member	-	0%
Senior Headed HH	-	0%
Female Headed HH	-	0%
5+ Person HH	-	0%
<b>Race</b>		
White	6	50%
Black or African-American	1	8%
Asian	1	8%
American Indian or Alaskan Native	-	0%
Native Hawaiian or Pacific	-	0%
American-Indian or Alaska Native and White	-	5%
Asian and White	3	25%
Black or African American and White	0	0%
American Indian or Alaska Native and Black	-	8%
Multiracial	1	18%
Other/No response	-	0%
<b>Ethnicity</b>		
Hispanic	1	8%
Not Hispanic	11	92%
Other/No response	-	0%



<b>Project</b>	<b>SMURF Assistance Program</b>
Sponsor	Single Mothers United in Rewarding Fellowship (SMURF)
Description	The Single Mothers United in Rewarding Fellowship (SMURF) program provides support for underserved low income youth and single mothers through a provision of fellowship and training programs. CDBG funds will be used for consultant services, supplies, and staff salaries.
Priority Need	Public Services - High
Address	41919 Moreno Drive, Temecula, CA 92590
Census Tract	432.15
Objective	Suitable Living Environment (SL)
Outcome	Availability/Accessibility (1)
Accomplishment Type	01 - People
Proposed Accomplishments	26 persons assisted
Actual Accomplishments	8 persons assisted
Funds available in 2015-16	\$7,892
Funds expended in 2015-16	\$7,892
Cumulative expenditures	\$7,892
Accomplishment Narrative	The Single Mothers United in Rewarding Fellowship (SMURF) program provided support for underserved low income youth and single mothers. SMURF provided valuable seminars and workshops to eight low-income single mothers and their children. The workshops provided needed support services to help single-mothers be self-sufficient and independent. Children also attended educational seminars/classes that promote respect and foster education. Goals were not met due to changes in administering the program. The program was funded in the 2016-2017.

Category	Total	Percent of Total
<b>Total Persons</b>	<b>*</b>	
Mod-Income		
Extremely low-income		
Low-income		
Mod-income		
Non-Low/Mod-income		
<b>Special Needs</b>		
Disabled HH Member		
Senior Headed HH		
Female Headed HH		
5+ Person HH		
<b>Race</b>		
White		
Black or African-American		
Asian		
American Indian or Alaskan Native		
Native Hawaiian or Pacific		
American-Indian or Alaska Native and White		
Asian and White		
Black or African American and White		
American Indian or Alaska Native and Black		
Multiracial		
Other/No response		
<b>Ethnicity</b>		
Hispanic		
Not Hispanic		
Other/No response		

\*City is waiting for data to be provided by the agency for the program year.

<b>Project</b>	<b>Inclement Weather Shelter Program</b>
Sponsor	Community Mission of Hope
Description	The Inclement Weather Shelter Program provided temporary shelter and food from December 1, 2015 through April 1, 2016 to homeless individuals and families.
Priority Need	Public Services – High
Address	41680 Enterprise Circle South, Suite C, Temecula, CA 92591
Census Tract	Citywide
Objective	Decent Housing
Outcome	Affordability
Accomplishment Type	01 - People
Proposed Accomplishments	23 persons assisted
Actual Accomplishments	23 persons assisted
Funds available in 2015-16	\$7,892
Funds expended in 2015-16	\$7,892
Cumulative expenditures	\$7,892
Accomplishment Narrative	The Inclement Weather program provided temporary shelter and assistance to 23 homeless persons during the period from December 1, 2015 to April 1, 2016.

Category	Total	Percent of Total
<b>Total Persons</b>	<b>23</b>	
Extremely low-income	23	100%
Moderate income	-	0%
Low-income	-	0%
Non-Low/Mod-income	-	0%
<b>Special Needs</b>		
Disabled HH Member	-	0%
Senior Headed HH	-	0%
Female Headed HH	-	0%
5+ Person HH	-	0%
<b>Race</b>		
White	21	91%
Black or African-American	1	4%
Asian	-	0%
American Indian or Alaskan Native	-	4%
Native Hawaiian or Pacific	-	0%
American-Indian or Alaska Native and White	-	0%
Asian and White	1	4%
Black or African American and White	-	1%
American Indian or Alaska Native and Black	-	0%
Multiracial	-	0%
Other/No response	-	0%
<b>Ethnicity</b>		
Hispanic	5	22%
Not Hispanic	18	78%
Other/No response	-	0%

<b>Project</b>	<b>Emergency Food/Temporary Assistance for Needy People Program</b>
Sponsor	VNW – Circle of Care
Description	The Circle of Care program provided food and temporary assistance to needy low and moderate income people.
Priority Need	Public Services – High
Address	26090 Ynez Road, Temecula, CA 92591
Census Tract	Citywide
Objective	Suitable Living Environment (SL)
Outcome	Availability/Accessibility (1)
Accomplishment Type	01 - People
Proposed Accomplishments	105 persons assisted
Actual Accomplishments	156 persons assisted
Funds available in 2015-16	\$7,892
Funds expended in 2015-16	\$7,892
Cumulative expenditures	\$7,892
Accomplishment Narrative	The Circle of Care food bank program provided food and temporary assistance to 156 low- and moderate-income persons.

Category	Total	Percent of Total
<b>Total Persons</b>	<b>156</b>	
Extremely low-income	127	81%
Low-income	0	0%
Moderate income	25	16%
Non-Low/Mod-income	4	3%
<b>Special Needs</b>		
Disabled HH Member	-	0%
Senior Headed HH	-	0%
Female Headed HH	-	0%
5+ Person HH	-	0%
<b>Race</b>		
White	111	71%
Black or African-American	12	8%
Asian	25	16%
American Indian or Alaskan Native	2	1%
Native Hawaiian or Pacific	6	4%
American-Indian or Alaska Native and White	-	0%
Asian and White	-	0%
Black or African American and White	-	0%
American Indian or Alaska Native and Black	-	0%
Multiracial	-	0%
Other/No response	-	0%
<b>Ethnicity</b>		
Hispanic	52	33%
Not Hispanic	104	67%
Other/No response	-	0%

<b>Project</b>	<b>Temecula Community Pantry Program</b>
Sponsor	TEAM Evangelical Assistance Ministries of Rancho-Temecula-Murrieta Valleys
Description	Food Bank provided emergency food to homeless and LMI persons and families.
Priority Need	Public Services - High
Address	28922 Pujol Street, Temecula, CA 92590
Census Tract	Citywide
Objective	Suitable Living Environment (SL)
Outcome	Availability/Accessibility (1)
Accomplishment Type	01 - People
Proposed Accomplishments	709 persons assisted
Actual Accomplishments	1,302 persons assisted
Funds available in 2015-16	\$7,892
Funds expended in 2015-16	\$7,892
Cumulative expenditures	\$7,892
Accomplishment Narrative	Provided emergency food to 1,302 persons

Category	Total	Percent of Total
<b>Total Persons</b>	<b>1,302</b>	
Extremely low-income	1,110	85%
Low-income	167	13%
Moderate income	21	2%
Non-Low/Mod-income	4	0%
<b>Special Needs</b>		
Disabled HH Member	-	0%
Senior Headed HH	-	0%
Female Headed HH	-	0%
5+ Person HH	-	0%
<b>Race</b>		
White	1,097	84%
Black or African-American	70	5%
Asian	55	4%
American Indian or Alaskan Native	4	0%
Native Hawaiian or Pacific	12	1%
American-Indian or Alaska Native and White	11	1%
Asian and White	11	1%
Black or African American and White	4	0%
American Indian or Alaska Native and Black	3	0%
Multiracial	35	3%
Other/No response	-	0%
<b>Ethnicity</b>		
Hispanic	435	33%
Not Hispanic	867	67%
Other/No response	-	0%



<b>Project</b>	<b>Emergency Food Assistance Program</b>
Sponsor	Senior Service Center
Description	The Senior Service Center Food Bank provided food to homeless and LMI individuals and families.
Priority Need	Public Services – High
Address	41680 Enterprise Circle South, Suite C, Temecula, CA 92591
Census Tract	Citywide
Objective	Decent Housing (DH)
Outcome	Affordability (1)
Accomplishment Type	01 - People
Proposed Accomplishments	120 persons assisted
Actual Accomplishments	120 persons assisted
Funds available in 2015-16	\$7,892
Funds expended in 2015-16	\$7,892
Cumulative expenditures	\$7,892
Accomplishment Narrative	The Senior Service Center provided food boxes to 120 homeless and LMI families and individuals.

Category	Total	Percent of Total
<b>Total Persons</b>	<b>23</b>	
Extremely low-income	23	100%
Moderate income	-	0%
Low-income	-	0%
Non-Low/Mod-income	-	0%
<b>Special Needs</b>		
Disabled HH Member	-	0%
Senior Headed HH	-	0%
Female Headed HH	-	0%
5+ Person HH	-	0%
<b>Race</b>		
White	21	91%
Black or African-American	1	4%
Asian	-	0%
American Indian or Alaskan Native	-	4%
Native Hawaiian or Pacific	-	0%
American-Indian or Alaska Native and White	-	0%
Asian and White	1	4%
Black or African American and White	-	1%
American Indian or Alaska Native and Black	-	0%
Multiracial	-	0%
Other/No response	-	0%
<b>Ethnicity</b>		
Hispanic	5	22%
Not Hispanic	18	78%
Other/No response	-	0%

<b>Project</b>	<b>Just Add One</b>
Sponsor	City of Temecula Economic Development Department
Description	The program provides job training workshops for LMI young people entering the local workforce.
Priority Need	Public Services – High
Address	41000 Main Street, Temecula, CA 92590
Census Tract	Citywide
Objective	Economic Opportunity
Outcome	Availability/Accessibility
Accomplishment Type	01 - People
Proposed Accomplishments	55 persons assisted
1) Actual Accomplishments	92 persons assisted
Funds available in 2015-16	\$7,892
Funds expended in 2015-16	\$7,892
Cumulative expenditures	\$7,892
Accomplishment Narrative	The Just Add One Program matched young adults with employment opportunities in the City. These opportunities were in the form of internships, fellowships and part-time employment. As part of the program, the participants attended workshops to instruct them how to prepare resumes, improve interview skills, etc. There were five programs that a young person could select to participate in: a) City summer programs; b) legal scholar's program; c) youth entrepreneur program; d) future physicians program; and e) leadership program.

Category	Total	Percent of Total
<b>Total Persons</b>	<b>92</b>	
Extremely low-income	4	4%
Moderate income	18	20%
Low-income	25	27%
Non-Low/Mod-income	45	49%
<b>Special Needs</b>		
Disabled HH Member		0%
Senior Headed HH		0%
Female Headed HH		0%
5+ Person HH		0%
<b>Race</b>		
White	50	54%
Black or African-American	12	13%
Asian	13	14%
American Indian or Alaskan Native	1	1%
Native Hawaiian or Pacific	2	2%
American-Indian or Alaska Native and White	2	2%
Asian and White	3	4%
Black or African American and White	2	1%
American Indian or Alaska Native and Black	-	0%
Multiracial	7	9%
Other/No response	-	0%
<b>Ethnicity</b>		
Hispanic	25	27%
Not Hispanic	67	73%
Other/No response		0%

<b>Project</b>	<b>Fair Housing Program</b>
Sponsor	Fair Housing Council of Riverside County
Description	The Fair Housing Council of Riverside County program provides fair housing education, training, & enforcement programs for low income households. CDBG funds will be used for staff salaries and benefits and other operations costs
Priority Need	Public Services – High
Address	3933 Mission Inn Avenue, Riverside CA 92501
Census Tract	Citywide
Objective	Suitable Living Environment
Outcome	Availability/Accessibility
Accomplishment Type	01 - People
Proposed Accomplishments	198 persons assisted
Actual Accomplishments	569 persons assisted
Funds available in 2015-16	\$10,000
Funds expended in 2015-16	\$10,000
Cumulative expenditures	\$10,000
Accomplishment Narrative	The Fair Housing Council of Riverside County promoted fair housing by advertising in local media, attending community events in Riverside County, and distributing fliers to locations in Temecula. They served a total of 569 persons by providing information on fair housing, including processing formal intakes regarding discrimination and landlord/tenant disputes.

Category	Total	Percent of Total
<b>Total Persons</b>	<b>569</b>	
Extremely low-income	67	12%
Low-income	288	51%
Moderate-income	154	27%
Non-Low/Mod-income	60	11%
<b>Special Needs</b>		
Disabled HH Member	-	0%
Senior Headed HH	-	0%
Female Headed HH	-	0%
5+ Person HH	-	0%
<b>Race</b>		
White	461	81%
Black or African-American	81	14%
Asian	16	3%
American Indian or Alaskan Native	-	0%
Native Hawaiian or Pacific	-	0%
American-Indian or Alaska Native and White	-	0%
Asian and White	-	0%
Black or African American and White	4	1%
American Indian or Alaska Native and Black	-	0%
Multiracial	7	1%
Other/No response	-	0%
<b>Ethnicity</b>		
Hispanic	97	17%
Not Hispanic	472	83%
Other/No response	-	0%

## ECONOMIC DEVELOPMENT

CDBG funded economic development projects specifically focus on activities that provide for the economic development needs of low and moderate income persons and neighborhood target areas. As discussed in Temecula's Strategic Plan for CDBG, the City successfully opened a business technology incubator in 2012, Temecula Valley Entrepreneur's Exchange (TVE<sup>2</sup>). TVE<sup>2</sup> assisted and accelerated the development of 12 entrepreneurial companies. As a result, of over 300 one-on-one consultations, 95 additional jobs have been created since its inception. However, no CDBG funds were allocated for this project and there were no planned activities for which funds were expended for economic development in the Program Year.

## PLANNING AND ADMINISTRATION

Planning and Administration funded activities specifically provide for the managing and planning required to develop housing and community development strategies to carry out actions and activities that address identified needs in the Five-year Consolidated Plan.

Project	Planning and Administration
Description	Planning and administration funding is intended to provide funding for general staff administration of CDBG programs and activities, including Integrated Disbursement and Information System (IDIS) training, program set-up, reporting, planning, and subrecipient training and monitoring.
Address	41000 Main Street, Temecula, CA 92590
Funds available in 2015-16	\$108,814
Funds expended in 2015-16	\$108,814
Cumulative expenditures	\$108,814
Accomplishment Narrative	CDBG staff carried out a wide range of administrative activities to implement programs and activities serving the target income and special needs population. Administration activities include providing local officials and citizens with information about the program, preparing program budgets, schedules, and amendments, preparing reports and other documents for submission to HUD, coordinating audits and monitoring findings, developing and managing interagency agreements and agreements with subrecipients, monitoring and researching program activities for progress and compliance, and conducting NEPA environmental reviews.

## NON-CDBG HOUSING ACTIVITIES

### First-Time Homebuyer Program

The City of Temecula provided lower-income individuals with down payment assistance through the Temecula Redevelopment Agency funded First Time Home Buyer Program. As a result of the dissolution of California Redevelopment Agencies per ABX1 26, the City no longer offers a First Time Home Buyer (FTHB) Program. During the fourth entitlement year, the City referred the general public to the Riverside County Economic Development Agency (EDA) for information on the Mortgage Credit Certificate Program for assistance. No homebuyers were assisted with the MCC program in 2015 since sales prices in the Temecula area now exceed the maximum amounts for the MCC program.

### Neighborhood Stabilization Program

The Neighborhood Stabilization Program (NSP) is administered by the Riverside County Economic Development Agency. The City did not receive any NSP funds from Riverside County in the 2015-16 Program Year, since the program has been completed.

## EXPENDITURE SUMMARY

The following tables show the City's 2015-16 expenditures in different categories and in comparison, to federally-mandated caps. The IDIS reports in **Appendix D** show additional detail on the City's expenditures.

The City did not receive any program income in the 2015-16 Program Year, nor did it fund any activities that had the potential to generate program income.

### 2015-16 CDBG ALLOCATIONS AND EXPENDITURES

Category	2015-16 Allocated	2015-16 Expended	Year End Balance
Planning and Administration	\$108,042	\$108,042	-
Public Services	\$81,028	\$81,028	-
Housing Rehabilitation*	\$38,223	\$5,304	\$32,919
Economic Development	\$0	\$0	-
Public Improvements - City	\$351,149	\$17,566	\$333,583
Public Facilities - Nonprofit	\$0	\$0	-
Program Income	\$0	\$0	-
Total	\$578,442	\$211,940	\$366,502

\* The total funds available included the 2015-2016 allocation of \$540,214 plus \$38,228 in carryover funds from 2014-2015.

**NOTE: 100% OF THE CITY'S CDBG ACTIVITIES WERE USED TO ADDRESS THE NEEDS OF LOW- AND MODERATE-INCOME PERSONS.**



### TIMELY CDBG EXPENDITURE CALCULATION

Timeliness Ratio (1.50 limit)	
2015-16 Annual Award	\$540,214
Total Funds Remaining at Program Year-end	\$781,803
Timeliness Ratio*	1.45

**\* PER 24 CFR SUBPART 570.902, THREE-QUARTERS OF THE WAY THROUGH THE PROGRAM YEAR, CDBG GRANTEES SHOULD NOT HAVE MORE THAN 1.5 TIMES THAT YEAR'S CDBG AWARD AVAILABLE IN THEIR LINE OF CREDIT**

### PLANNING AND ADMINISTRATION CALCULATION

Planning and Admin Calculation (20% Cap)	
2015-16 Annual Award	\$540,214
2015-16 Program Income	\$0
Cap Basis*	\$540,214
Total Planning and Admin Expenditures	\$108,042
Actual Planning and Admin Percentage	20.0%

**\*MAXIMUM AMOUNT FROM WHICH THE 20 PERCENT ADMIN CAP MAY BE CALCULATED**

### PUBLIC SERVICES CALCULATION

Public Services Calculation (15% Cap)	
Total 2015-16 Annual Funding	\$540,214
2015-16 Program Income	\$0
Cap Basis*	\$540,214
Total Public Services Expenditures	\$81,028
Actual Public Services Percentage	15.0%

**\*MAXIMUM AMOUNT FROM WHICH THE 15 PERCENT PUBLIC SERVICES CAP MAY BE CALCULATED**

### ANNUAL EXPENDITURE BY ACTIVITY

IDIS ID #	Description	Total Allocation	2015-16 Available	2015-16 Expenditures	Total Expenditures	Year End Balance
11	Sam Hicks Monument Park Playground Replacement*	\$608,888	\$486,550	\$182,212	\$283,300	\$325,588
35	Assistance League Operation School Bell	\$7,892	\$7,892	\$7,892	\$7,892	-
36	SAFE Domestic Violence Services Program	\$7,892	\$7,892	\$7,892	\$7,892	-
29	Boys & Girls Club Before And After School Care For Kids	\$7,892	\$7,892	\$7,892	\$7,892	-
37	SMURF SMURF Childcare and Adult Education Program	\$7,892	\$7,892	\$7,892	\$7,892	-
34	Fair Housing Council Fair Housing Services	\$10,000	\$10,000	\$10,000	\$10,000	-
31/ 46	Habitat for Humanity Critical Home Maintenance and Repairs Program*	\$52,446	\$45,068	-	-	\$26,223
32/ 47	GRID Alternatives Solar Affordable Home Program*	\$27,873	\$22,568	\$5,305	\$5,305	\$10,568
39	Emergency Food/Temporary Assistance for Needy People	\$7,892	\$7,892	\$7,892	\$7,892	-
40	Circle of Care Food Ministry	\$7,892	\$7,892	\$7,892	\$7,892	-
41	Temecula Community Pantry	\$7,892	\$7,892	\$7,892	\$7,892	-
42	Inclement Weather	\$7,892	\$7,892	\$7,892	\$7,892	-
43	Just Add One	\$7,892	\$7,892	\$7,892	\$7,892	-
44	Old Town Sidewalks	\$351,149	\$333,583	\$0	\$17,566	\$333,583
33	Program Administration	\$108,042	\$108,042	\$108,042	\$108,042	-
	<b>Total</b>	<b>\$1,229,426</b>	<b>\$1,076,839</b>	<b>\$376,587</b>	<b>\$495,241</b>	<b>\$695,962</b>

## **IV. GENERAL NARRATIVE**

### **GEOGRAPHIC DISTRIBUTION**

During the program year, the City funded two public improvement projects located in an area with more than 51 percent low- and moderate-income (LMI) residents. Both projects are located in Census Tract 432.15 near the Old Town District and Pujol Neighborhood. The Sam Hicks Monument Park Playground Replacement project, which is scheduled for completion in spring 2017, will provide residents in the Old Town area (79.9% are LMI) access to a public playground that will no longer be substandard. The City made substantial progress on the project this program year with the completion of several pieces of equipment. By pooling several years of funding, the City was able to fully fund the project. The new playground equipment is being fabricated off-site and is expected to be completed installed on site by April 2017.

The second project is the Old Town Sidewalk project, which will primarily serve some low- and moderate-income housing developments where many seniors and persons with disabilities live. Currently, they cannot easily access City services and neighborhood shopping in the Old Town neighborhood without walking in the middle of the busy side streets and around parked cars. Completion of this activity is expected in Spring 2017.

While each of the public services is Citywide as limited clientele activities, most of them have service centers located in Census Tract 432.15, which contains the highest LMI population throughout the City. All the nonprofit public service providers were able to serve more than 51 percent LMI clientele. Please see the maps attached as Exhibits A and B showing activity locations and the City's low-income target areas.

### **AFFIRMATIVELY FURTHERING FAIR HOUSING**

In 2011-12, the City completed an Analysis of Impediments to Fair Housing Choice (AI). This document reviews demographics, lending patterns, local, state, and federal codes and regulations, fair housing complaints, and other relevant resources to determine impediments to fair housing in the community. The AI also identified actions the City will take in order to address fair housing impediments.

During the 2015-16 Program Year, the City contracted with the Fair Housing Council of Riverside County, a local non-profit agency that offers information of fair housing law and mediates tenant-landlord disputes, as well as investigates housing discrimination complaints. No investigations were conducted in the program year.

Fliers relating to fair housing topics have been distributed to multiple locations in Temecula, including the public library, affordable housing complexes, and non-profit service provider locations. Information was also available at the Fair Housing Council's Riverside office, or by phone, five days per week.

The City displays fair housing materials at City Hall, and copies of these materials are free to the public. Fair housing information is sent free of charge to those who request it. In addition, the City promotes fair housing awareness in its housing programs and works with housing providers in the City to ensure fair and equitable treatment of persons and households seeking housing in the City. There is a link on the City's webpage to the Fair Housing Council where persons can receive additional information concerning their fair housing questions.

Additional actions taken to promote fair housing include participation in City-sponsored community events, such as Temecula Trekkers, which specifically targeted the real estate community, advertisement in the local Temecula newspaper and on local cable access television, and maintaining a website with fair housing information.

The 2011-2016 Impediments to Fair Housing identified four observations and one impediment. Below are actions that the City has taken to address those observations and impediment.

- **Action Item No. 1-1** Continue to diversify housing stock. The City should make a concerted effort to increase the number of affordable rentals located east of 1-15.

**Progress Made:** The City continues to support the development affordable housing throughout the City. The City currently has a request for proposal(s) out for the remaining Tax Allocation Bond proceeds (\$12.4 million), which could include more than one site, some of which are located east of Interstate 15. The request for proposals closed in May 2016. The City received 20 proposals from interested developers. The proposals are currently being reviewed by City staff and an outside consultant.

- **Action Item No. 1-2.** Address the basic needs of low-income households. The City should also use CDBG and other HUD funds it may receive to preserving the safety net for its lowest income households who have difficulty finding affordable rentals and are likely cost burdened and/or at risk of homelessness. This could include supporting homeless shelters, food pantries, emergency assistance programs and social services operations.

**Progress Made:** Since the adoption of the City's previous Analysis of Impediments, the City has focused its CDBG public services funds on addressing its homeless needs as well as those at-risk of becoming homeless by providing assistance to the Inclement Weather Shelter Program, clothing for low-income school children, domestic violence services, child care services and assistance to three organizations that provide food services to the homeless and those at risk of homelessness. The City also provides discretionary General Fund moneys to a number of organizations. (See Appendix B for a list of agencies served by the General Fund.) The City also participates in the Continuum of Care as well as a Southwest Riverside County Regional Homeless Alliance that includes four cities in the region, the County, Riverside Sheriff's Department and several nonprofits.

In addition, the City is providing a home repair and maintenance grant program to low-income households administered by Habitat for Humanity. The City has also funded a solar energy installation program for low-income homeowners through GRID.

The City amended its ordinances to provide for efficiency unit housing structures in 2013. The City now allows the use of Section 8 vouchers for those with second units on their property.

The City supported retaining the affordability of the Rancho California Apartments at the TEFRA (Tax Equity and Fiscal Responsibility Act) hearing, which were at-risk of being converted to market rate rents.

## **Observation No. 2 — Steering may be a fair housing impediment.**

- **Action Item 2.** Conduct fair housing outreach and education with Temecula's real estate professionals.

**Progress Made:** The City has annually provided CDBG funding to the Fair Housing Council of Riverside County for fair housing education, training and enforcement programs for low-income households. The City also provides fair housing information on its City website and includes referrals to the Fair Housing Council of Riverside County for residents and nonprofits.

**Impediment No. 3 — Zoning regulations could be improved to facilitate affordable housing development.**

- **Action Item 3.** The City should clarify the definition of family so that it does not exclude unrelated persons living in group home settings and allow congregate care and residential care facilities with seven or more occupants to some residential zones.

**Progress Made:** On April 23, 2013, the City adopted Ordinance 13-03, which defined certain housing-related terms, designated zoning districts for residential care facilities, transitional, supportive and efficiency unit housing and established development standards for efficiency unit housing. Included in that ordinance was a change in the definition of family.

In 2017, the City intends to bring to the City Council an ordinance that would establish a Housing Affordability Overlay that will identify sites throughout the City where transitional and supportive housing is allowed by right, identify incentives for affordable and senior housing and establish a density bonus program. This will assist the City in meeting its Regional Housing Needs Assessment (RHNA) targets established by the Southern California Association of Governments.

Staff is continuing to encourage opportunities for senior and affordable housing projects throughout the City by:

- Providing incentives for affordable housing development
- Increasing housing options through better definition of both transitional and supportive housing
- Providing homebuyer assistance in partnership with the County of Riverside
- Encouraging the subdivision of larger sites for development of housing for low-income households.

Unfortunately, the dissolution of the redevelopment agencies has had a major adverse impact in the ability of the City to aggressively accomplish some of its affordable housing goals. As a result, the homebuyer program has been put on hold as well as its land assemblage programs.

The City has \$12.4 million in Tax Allocation Bond proceeds available for the construction of affordable housing. The City recently issued a request for proposal (RFP) seeking innovative projects that address one or more of the following housing needs: special needs, veterans and seniors, housing first, transitional and supportive housing. The City received twenty proposals and staff is currently reviewing them along with a consultant. Reductions in HUD funding for housing has further limited the City to address these needs.

#### **Observation No. 4 — High loan denials in low income area.**

- **Action Item No. 4.** Invest in low income neighborhoods. The City should invest in community projects in its low income areas. Such investments will mitigate neighborhood deterioration, which is particularly important given the high rates of loan denials in the areas east of Interstate 15. In addition, public improvements in low-income areas ensure that the amenities offered in these areas are comparable to amenities in higher income areas. Inequality of neighborhood amenities can become a fair housing concern, if lower quality neighborhoods are predominantly occupied by members of protected classes.

**Progress Made:** The City has focused its CDBG capital funding in the areas of the City with the highest needs including the Pujol neighborhood and Old Town. The City has upgraded Temecula Community Center and parks and is providing sidewalk improvements in those areas. Mixed-income housing developments is transforming this area into a vibrant place to live and work, while maintaining its diversity.

Five years ago, the City was coping with high foreclosure rates as a result of the recession of 2007-2008. During that period, it was estimated that nearly 15% of the housing stock was bank-owned or in some state of foreclosure. According to Property Radar, there were only 97 bank-owned properties (REO inventory) in the City in May 2016. In just the past year, this represented a drop of 22.4%. Therefore, this is no longer a serious concern for the City.

Since 2007-2008, housing prices have rebounded and fewer homeowners are under water with their mortgages. According to the Southwest Riverside County Realtor Report published in 2016, the median home price is \$436,577 with the average home sale exceeding \$500,000 for the first time since December 2007. In the past 12 months, median home prices have increased by five percent (5%). Compared to 2007, the City sales price levels are now less than 10% of what they were at their highest levels, so they have nearly rebounded to 2007 levels. While this is good for the homeowner, it is difficult for the first-time homebuyers to afford homes in Temecula.

The City evaluated home loans for both mortgages and refinancing. The data revealed that none of the racial or ethnic groups experienced disproportionately lower approval rates.

#### **Observation No. 5 — There is a lack of information and knowledge about fair housing.**

- **Action Item No. 5.** Improve access to fair housing information. The City of Temecula should add easy-to-find fair housing information on its website. It is critical that the City have a link to HUD's complaint-taking website and the State of California Department of Fair Employment and Housing (DFEH), where residents may file complaints, if they so desire.

**Progress Made:** The City has added information on its website directing residents with fair housing questions to the Fair Housing Council of Riverside County website that contains resource links to HUD, DFEH and other legal and regulatory agencies. The City site also provides an explanation of the services provided by the Fair Housing Council.

## **AFFORDABLE HOUSING**

The City's affordable housing efforts in 2015-16 focused on expanding the supply of affordable housing and improving the ability of households to afford homeownership.

The City continued to participate in Riverside County's Mortgage Certificate Program (MCC) as an additional way to leverage homeownership assistance. MCC are certificates issued to income-qualified first time home buyers authorizing a household to take a credit against federal income taxes of up to 20 percent of the annual mortgage interest paid. Six Temecula homeowners received certificates in 2012, one in 2013, and two in 2014 and none in 2015-2016. The City also continued to support Section 8 rental assistance, administered by the Riverside County Housing Authority, and the provision of vouchers to 109 extremely-low and low-income households in Temecula during the program year.

The City's 2021 General Plan Housing Element update, adopted by resolution in January 2014, committed to taking the following actions to address affordable housing.

- Adopt an Affordable Housing Overlay and Density Bonus Ordinance;
- Provide incentives for affordable housing development;
- Increase housing options through better definition of both transitional and supportive housing;
- Provide homebuyer assistance; and
- Allow for the subdivision of larger sites for development of housing for low-income households.

The City is currently drafting the Affordable Housing Overlay and Density Bonus Ordinance to bring to City Council in 2017. Specifically, the Housing Element required that the City formalize the existing Zoning Code provisions regarding affordable housing and density incentives by creating an Affordable Housing Overlay (AHO) zone and incorporating into the Zoning Code the State-mandated density bonus provisions set forth in Government Code Section 65915.

## **CONTINUUM OF CARE NARRATIVE**

As part of the implementation of Temecula's Five-Year Consolidated Plan homeless strategy, the City supported and funded homeless assistance programs through non-profit service providers, including victims of domestic violence, food banks, counseling services, and temporary shelter assistance programs. These programs helped to provide food and basic hygiene items to low-and moderate-income persons and families in 2015-16 Program Year.

The Continuum of Care, coordinated by the Riverside Department of Social Services (DPSS), also manages the Emergency Food and Shelter, and Supportive Housing Programs, both of which provide homeless residents with rental assistance and supportive services. Riverside County DPSS also coordinates the ten-year County plan (2007-2017) to end homelessness. This homelessness prevention plan, which contains strategies and priority actions to expand programs and services for homeless persons and those at-risk of homelessness in the region, focuses on developing individual and family self-sufficiency and, to the extent possible, helping persons at- risk of homelessness to remain in their homes. Temecula CDBG staff actively participated in the monthly Continuum of Care board meetings and assists with this effort on a continual basis.

In addition to the Countywide Continuum of Care (CoC), the City participates in Southwest Riverside County Regional Homeless Alliance, which includes the County's CoC staff person and City, the Sheriff's Department and nonprofit representatives from the five cities in the region (Temecula, Murrieta, Menifee, Lake Elsinore and Wildomar). The Alliance collaborates on homelessness in the region.

Temecula participates in the annual County-wide homeless survey. Staff assisted with the planning and conducting of the point-in-time homeless count on January 25, 2016. The community event also focused on connecting homeless persons with local services. The survey found thirty-seven homeless individuals in the City, which was down by 12% from the prior year and dramatically down from the 162 homeless persons counted in 2011. This was in line with a County wide trend in the reduction of the number of homeless individuals.

The City continues to partner with local nonprofits to operate three food banks, which provide the immediate needs for food, clothing, and hygiene items. During the winter months, the City provides funds for an Inclement Weather Shelter and throughout the year a Domestic Violence Service Center.

The Community Services Department also developed and approved the framework for a three-link Community Action Plan outlining wrap-around services to achieve elimination of homelessness. The City's mission for the Community Action Plan, entitled Responsible Compassion, is to further improve quality of life by developing residents', businesses', and visitors' awareness, understanding, and participation in a comprehensive strategy to eliminate homelessness in Temecula. The program consists of the following elements: collaboration, coordination and communication, and explains that the City intends to collaborate with a variety of partners and nonprofit stakeholders to provide effective and comprehensive services that will provide support and a path to self-sufficiency.

## **LOCAL SERVICE PROVIDER ASSISTANCE**

The City relies upon the contributions of its many local and regional partners to provide assistance to the homeless, persons at risk of homelessness, seniors, and other special needs groups. Many of these organizations have been listed throughout this report and some are repeated in the following categories.

Both the Boys and Girls Club (provides before and after school care to underserved low-income families) and the Assistance League (serves primarily low-income youth) received grant funding in the 2015-2016 Program Year. SMURF provided assistance to single-mothers and their children. All organizations that received CDBG funding were either continuation programs from previous years or provided new or expanded service to unduplicated persons of low and moderate income.

## **SENIOR SERVICES**

The Senior Citizens Service Center and other food banks in the City provide emergency food and temporary assistance for families and seniors in need. These nonprofit programs continue to provide nutrition services each year to the community.



## **HOMELESS AND HOMELESS PREVENTION SERVICES**

By giving emphasis to committing CDBG funds to addressing the needs of the homeless and those who were most at-risk of homelessness, the City's goal was to address the City's worst case needs. Temecula has several agencies that serve homeless populations, and the City continued to promote new and expanded partnerships among private and public sector organizations to ensure a comprehensive social services infrastructure that addresses homelessness.

The Community Mission of Hope provides many services to disadvantaged constituents including transitional housing, food, clothing, medical services and supplies. For the 2015-16 winter season, the Community Mission of Hope activated its Inclement Weather Shelter Voucher Program to provide temporary shelter to homeless persons in the form of hotel/motel vouchers or apartments. The temporary inclement weather shelter was available for homeless and transitional constituents between December 1, 2015 and April 1, 2016. This program provided over 15,000 units of service to homeless persons, including shelter, showers, meals, transportation, bedding, clothing, hygiene, and counseling.

SAFE provides domestic violence prevention services, which addresses one part of the homelessness equation.

The Community Services Department also developed and approved the framework for a three-link Community Action Plan outlining wrap-around services to achieve elimination of homelessness. The City's mission for the Community Action Plan, entitled Responsible Compassion, is to further improve quality of life by developing residents', businesses' and visitors' awareness, understanding, and participation in a comprehensive strategy to eliminate homelessness in Temecula.

Project Touch, a grassroots homeless prevention outreach organization, also provides many services to disadvantaged constituents including operating a transitional housing facility with independent living units for low-income families. Temecula staff works with Project Touch and many of the local churches to provide services to the homeless, and address homeless issues.

## **OTHER ACTIONS IN SUPPORT OF CDBG GOALS**

### **Actions to Address Obstacles to Meeting Under-Served Needs**

The need for affordable housing for low-income households and seniors continues to exceed the available resources. The City has \$12.4 million in Tax Allocation Bond proceeds. The City recently issued a request for proposal (RFP) seeking innovative projects that address one or more of the following housing needs: special needs, veterans, seniors, housing first, transitional and supportive housing. The City expects to enter into an agreement with selected developers in 2017. The City has provided services, discussed previously under the Affordable Housing and Continuum of Care narrative, and has worked to create new affordable housing opportunities for under-served groups, including seniors.

### **Fostering and Maintaining Affordable Housing**

The City of Temecula's Consolidated Plan identifies development of new housing resources as a primary component of the City's housing strategy. The City actively encourages affordable housing, most notably through potential partnerships, and programs offered through Riverside

County. In 2015-16, City staff meets on a regular basis to explore and re-evaluate alternative resources, including regional and state grant opportunities such as Home Investment Partnership program (HOME), Emergency Solutions Grant Program (ESG), Community Improvement Designation (CID) grant, Emergency Food and Shelter Program (EFSP) grant to help provide maintain affordable housing options.

### **Barriers to Affordable Housing**

Temecula continues to work toward meeting the housing needs of its low- and moderate-income residents. As mentioned above, the City is in the process of reviewing proposals to expend \$12.4 million in Tax Allocation Bond proceeds on one or more affordable housing project.

A continued supply of housing affordable to all household income levels is essential to meet the needs of the residents of the City. The City recognizes the importance of balancing construction of new affordable housing with preserving and rehabilitating current affordable housing resources.

As discussed previously under other Affordable Housing sections of the report, many of the City's efforts to foster and maintain affordable housing are addressed in the Housing Element. In 2014, the City updated its General Plan Housing Element. The 2014-2021 update includes a number of important programs that facilitate the development of affordable housing in Temecula.

Both of these documents, City of Temecula's Consolidated Plan and the Housing Element, explore barriers to producing affordable housing, including governmental and non-governmental constraints. Governmental constraints include land use controls, entitlement processing, fees, and building codes. Land use controls are necessary to ensure orderly and appropriate development and growth in the City. Fees, land dedication, and public improvements are usually required as part of land development and entitlement processing to ensure an adequate supply of infrastructure, parks, and schools to serve the development.

To facilitate the development of affordable housing, the City may consider assisting developers to locate resources for funding affordable housing. Non-governmental constraints include the availability of mortgage and rehabilitation financing, the supply and cost of land, and construction costs. The City will monitor these constraints and provide incentives to reduce them when possible.

### **Regional Housing Needs Allocation**

In 2012, the City received its 2014-2021 Regional Housing Needs Allocation (RHNA) from the local Council of Governments. The allocation indicated the continued need for a supply of affordable housing and targets these needs by income group. In summary, the allocation calls for 42 percent of new housing production to be affordable to low-income households and 18 percent to be affordable to moderate-income households. This is a total of 626 low-income units and 271 moderate-income units, and reflects a significant need for new affordable housing.

The City's certified 2014-2021 General Plan Housing Element states that based on the state allocation of regional housing needs, Temecula will need to demonstrate the capacity to accommodate 626 housing units affordable to low-income households and 271 housing units affordable to moderate-income households during the planning period. In addition, the City will

have to demonstrate the capacity to accommodate 897 units for persons earning low and moderate incomes.

### **Public Housing and Resident Initiatives**

The City does not own or manage any public housing. The 2012-2017 Consolidated Plan does not include plans to construct or operate public housing. The City continued to support Section 8 rental assistance, administered by the Riverside County Housing Authority, and the provision of vouchers to 109 extremely-low and low-income households in Temecula during the program year.

### **Lead-Based Paint**

The City did not conduct any activities for which lead-based paint clearance was necessary in 2015-16.

For all housing programs, the City includes provisions to identify lead-based paint hazards when necessary, and contracts with certified lead-based paint inspectors as required by state law.

### **Compliance and Monitoring**

City staff met with and provided technical assistance to the subrecipient staff responsible for each activity prior to the beginning of the program year. All subrecipients were provided a subrecipient agreement, and informed of their obligations to collect the required information on income, household composition, and race and ethnicity. The City also provided information on subrecipient agreement policies, data collection, and financial management. An in-depth Subrecipient Workshop conducted by the City's consultants covered all the HUD subrecipient requirements and staff provided individualized technical assistance to subrecipients throughout the year.

Each quarter, staff examined the progress each subrecipient was making toward performance targets (i.e. desk monitoring). Public services subrecipients must report their service population with each invoice. The City has placed a strong emphasis on its subrecipients gathering complete and accurate information on the persons and/or households they serve, and regularly reporting on progress.

### **Anti-Poverty Strategy**

The City of Temecula has experienced significant growth since 2000. As the City's population grew between 2000 and 2010, the poverty rate of Temecula also doubled, from seven percent to fourteen percent. The City's primary emphasis in regard to anti-poverty strategies is to provide adequate housing and fund a range of support services that assist in meeting basic needs. During the 2015 Program Year, the City worked with several organizations that focus on increasing self-sufficiency among lower-income populations. These organizations included SMURF, which provides a range of training services to low-income single-mothers, Just Add One, which provided job training for young people and the Temecula Library adult literacy program.

In addition to the CDBG contributions to the food banks and the Inclement Weather Shelter, the City provided an additional \$5,000 in General Fund money for food and other shelter services to low-income families. Additional services were provided through local churches and nonprofits, many of whom also offer social services to assist with job training and housing security.

The City contracts with the Fair Housing Council of Riverside County to provide fair housing counseling to residents; most of the households that take advantage of this resource are low-income. The housing counseling offers advice on resolving tenant-landlord disputes, among other topics, in an attempt to help low-income households stay in their homes.

Twelve new entrepreneurial companies were assisted through the business technology incubator, Temecula Valley Entrepreneur's Exchange, thus resulting in 95 additional jobs in Temecula.

## **LEVERAGING RESOURCES**

With respect to public services funded with CDBG funds, the City requires all subrecipients to identify other resources they will utilize during the program year to operate and implement CDBG-supported activities. It is the City's intent to ensure adequate non-federal and private funds are available, thus minimizing the dependence on federal funds. To best leverage the City's available resources, the City will continue to layer private and non-federal resources with federal resources. Appendix B includes General Fund contributions to some CDBG-funded programs.

## **Citizen Comments**

The City provided public notice of the 15-day public review period prior to the submission of this CAPER (See Appendix C for a copy of the proof of public notice). The draft document was made available on the City website and at City Hall. The public notice included the address of City Hall, staff contact names, mailing addresses, phone numbers, the address of website to view the report, and information on where to direct comments and questions. If any comments are received, the City endeavors to respond to all questions or comments within 10 business days. The following comments were received:

## **To be inserted after City Council meeting**

## **SELF-EVALUATION**

### **What is the status of grant programs?**

Program Year 2015-16 was Temecula's fourth year as a CDBG entitlement jurisdiction. The City provided funds for a variety of public services, housing activities and public facilities.

#### *Public Services*

The City funded ten public services activities in the program year: Operation School Bell, Fair Housing, Before and After School Care, Domestic Violence Services, Expanded Childcare and Adult Education, Community Mission of Hope, Senior Citizens Services Center, Temecula Community Pantry, VNW Circle of Care, Fair Housing Council and Just Add One programs. All were completed in the fiscal year and fully expended.

#### *Public Infrastructure*

The City funded a sidewalk construction projects in the 2015-2016 Program Year. Design work is underway with construction to occur in 2017

#### *Public Facilities*

The City funded the Sam Hicks Monument Park Playground Replacement project in the program year. The Sam Hicks Monument Park Playground Replacement project has been slow to start; however, the project is now under construction with several playground equipment completed. The installation will be completed by April 2017.

#### *Economic Development*

No CDBG funds were allocated for economic development projects in the program year. However, through other funding sources, the business technology incubator, Temecula Valley Entrepreneur's Exchange, assisted with the development of twelve (12) new entrepreneurial companies resulting in 22 additional jobs in Temecula.

#### *Housing*

The City completed the rehabilitation of seven (7) houses under the Critical Home Maintenance and Repairs Program administered by Habitat for Humanity Inland Valley for a total of eight (8) altogether from program inception. The City also funded an energy efficiency home improvement program, the Solar Affordable Home Program administered by GRID Alternatives. Four houses were completed by the end of June 2016, for a total of five (5) units since the program was initiated. The program accomplishments for both of these programs will continue into the 2016 program year.

The City continued to support Section 8 rental assistance, administered by the Riverside County Housing Authority, and the provision of vouchers to 109 extremely-low and low-income households in Temecula during the program year.

#### **Are grant disbursements timely?**

HUD requires that approximately three-quarters of the way through the program year, CDBG grantees have no more than 1.5 times that year's CDBG award available in their line of credit. The City of Temecula met the timeliness ratio of 1.5 by HUD deadline. The City's timeliness ratio in May was 1.45, which was under the 1.5 requirement.

Each mid-year, the City analyzes each project's rate of expenditure and ability to meet identified goals. If goals are unable to be met, the City will consider re-allocating funding that is likely to remain unspent. The City did not need to process any substantial amendments to meet the timeliness requirement.

#### **Are major goals on target?**

Overall, most annual goals were either met or exceeded by the public services agencies. The City is progressing toward its goals of fostering the development of affordable housing, improving LMI communities through the rehabilitation of public facilities and expanded public services, and by providing supportive services to the elderly and low-income households.

#### **Are any activities or types of activities falling behind schedule?**

The Activity Summaries section of this CAPER provides a description of each activity undertaken in 2015-16 and its actual accomplishments during the year. As described previously, the Sam Hicks Monument Park Playground Replacement project had several delays due to weather and administration; however, the project is now underway and scheduled for completion in spring 2017. The sidewalk project is under design and will be completed in 2017.

The City encountered some delay in 2014 with the commencement of the two new housing rehabilitation programs as well. These programs had a very long development and implementation process which delayed construction and the expenditure of funds. However, both programs have shown tremendous progress and achieved projected accomplishments during the program year and will continue to provide the program services through 2016.

The SMURF program missed their targeted accomplishments due to some organizational changes and the City elected not to fund them in 2016-2017. The Before and After Care for kids program did not apply for funding in 2016-2017.

### **Are the activities and strategies making an impact on identified needs?**

All of the housing and community development activities are making a positive impact in the community and specifically on the needs identified in the Consolidated Plan and Action Plan. The funded activities and strategies are vital to the City's health and well-being in many ways. The City's considerable efforts to foster neighborhood improvements will allow more residents to have access to attractive, safe, and affordable housing, community services, and public facilities. The funded public service activities provide many vulnerable citizens, such as seniors and extremely low-income persons, with essential and life-enhancing services. Each funded activity in this program year is directly related to one of the goals in the Consolidated Plan and helps further achievement of the City's community development objectives and goals.

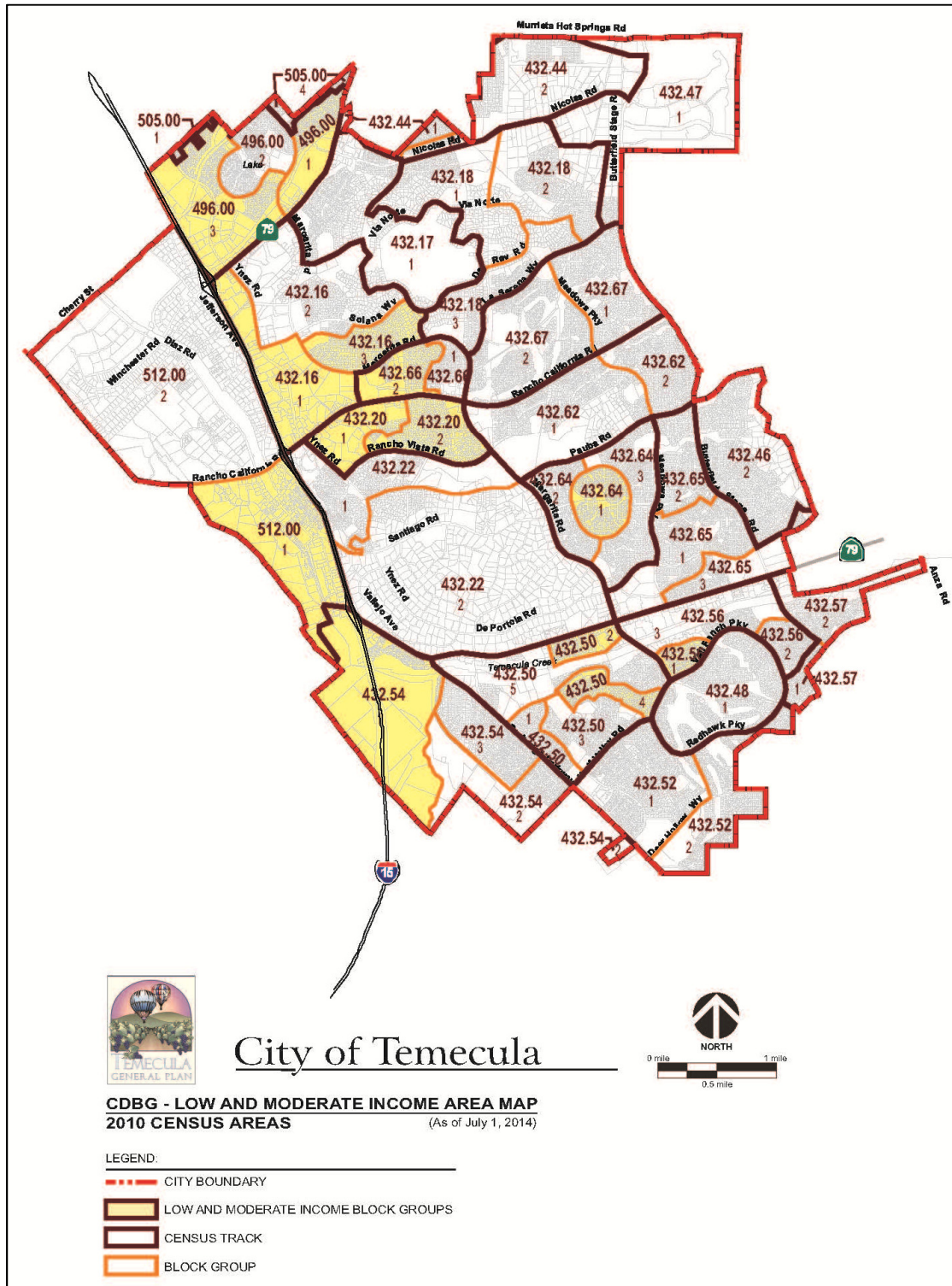
### **What barriers may have a negative impact on fulfilling the strategies and the overall vision?**

The primary barrier to achieving the Consolidated Plan goals and strategies is a lack of funding. The City's need for affordable housing, public facilities, and public services to fully serve the low- and moderate-income population is extensive, and far exceeds available funding resources. The City's ability to fund projects and programs using local resources is also limited as the City is facing and addressing fiscal concerns regarding rising public safety costs and the impacts they have on the City's budget, quality of life, and the provision of municipal services.

### **Based on findings, what adjustments or improvements to strategies and activities might meet the City's needs more effectively?**

The City will devote substantial staff time to researching new funding opportunities to maximize the City's ability to meet residents' needs. The City will also evaluate all proposed activities based on factors such as leveraging and number of beneficiaries in an attempt to increase funding efficacy.

## Map of Eligible Areas and Project Location



## APPENDIX B

### List of Public Service Agencies Provided Assistance with the City's General Fund

All From the Heart - Wheels For Warriors	\$ 5,000
Assistance League of Temecula Valley (ALTV) - Building and Grounds Improvements and Maintenance	\$ 5,000
Birth Choice of Temecula – Pregnancy resource materials/services – Update material	\$ 5,000
California VFW Motorcycle Club Empire – Food boxes for veterans /families in Temecula –Food boxes and emergency funds	\$ 1,500
God's Fan Club dba Project T.O.U.C.H. – Shared and Homeless Prevention Program – basic necessities for homeless	\$ 500
Habitat for Humanity Inland Valley - A Brush with Kindness - offset home improvement costs to seniors, disabled and low-income homeowners	\$ 1,500
Hospice of the Valleys - Senior Assistance Program -end of life services	\$ 5,000
Michelle's Place Breast Cancer Resource Center - Breast Health Assistance	\$ 5,000
Our Nicholas Foundation - Peace of Mind (safety kits for autistic families)	\$ 5,000
Thessalonika Family Services dba Rancho Damacitas – Independent Living Program for 14-18 year olds on Rancho Damacitas Campus	\$ 1,000
Rose Again Foundation – The Kids of Summer	\$ 2,000
Rotary Club of Temecula Foundation - Holiday Food Baskets	\$ 5,000
Senior Citizens Service Center of the Temecula Rancho Area, Inc. - Food Distribution	\$ 5,000
Special Olympics Temecula Valley – Training Programs	\$ 2,500
T.E.A.M. Evangelical Assistance Ministries – Food Distribution	\$ 5,000
Waves Project Inc. – Waves Project	\$ 5,000
<b>Total</b>	<b>\$ 59,000</b>



